# CLASSIFICATION RESTRICTED SECURITY INFORMATION CENTRAL INTELLIGENCE AGENCY

INFORMATION FROM FOREIGN DOCUMENTS OR RADIO BROADCASTS

REPORT

STAT

CD NO.

COUNTRY

Rumania

Economic - Agriculture, collectivization

DATE OF INFORMATION

1951

HOW

SUBJECT

PUBLISHED Monthly periodical

Rumanian

DATE DIST. 3! Oct 1952

WHERE

PUBLISHED Bucharest

NO. OF PAGES 8

DATE

LANGUAGE

PUBLISHED Nov 1951

SUPPLEMENT TO

REPORT NO.

THIS DOCUMENT CONTAINS INFORMATION AFFECTING THE MATIONAL OFFENSE OF THE UNLITED STATES, BITMIN THE MEANING OF TITLE 18, SECTIONS 788 AND 784, OF THE U.S. COSE, AS AMENDED. ITS TRANSMISSION OF REVE-LATION OF ITS CONTENTS TO OR RECEIT BY AN UNAUTHORIZED PERSON IS PROMISSITOR BY LAW. THE PERSONNELLING.

THIS IS UNEVALUATED INFORMATION

SOURCE

Probleme Economice.

## ANALYSIS OF OPERATIONS OF MODEL COLLECTIVE FARMS IN RUMANIA

Hillel Kohn, Alex Undi Marton Cristai

The authors describe the operations and problems of model collectives in an effort to show what the peasants can achieve through collectivization. These descriptions give an insight into the activities of three collectives which are considered among the best in the RFR (Rumanian People's Republic). This information gives a picture of the chief problems and the actual functioning of a collective.

The successes obtained by the Inainte and Viata Nous collective farms, two of the most outstanding in Rumania, were due to the efficient organization of labor and to their readiness to take advantage of the experience of Soviet kolk-normal follow the recommendations and advice of local government organs and during 1950 - 1951 shows, on the one hand, the various factors responsible for their successes and, on the other, the deficiencies which prevented the Inainte results.

According to the model statute on collective farms, the managing council of the collective is responsible for the proper organization of labor and the proper utilization of the working capacity of the members. Every member must be given the opportunity to put to full use his working capacity in the collective. The statute clearly states: All labor will be performed by members of the collective farm in accordance with the regulations approved by the general assembly of the collective; all labor will be performed by brigades on a piece-work basis.

-1-

CLASSIFICATION	RESTRICTED
STATE X NAVY NSRB	DISTRIBUTION
ARMY AIR FBI	

The managing council of the Inainte Collective Farm organized the members in brigades and subdivided the brigades into squads. For 1950 - 1951, nine field brigades, one fruit growers' brigade, one animal husbandry brigade, and one brigade for the workshops and the general needs of the collective were organized. Six assistant accountants, one for every two brigades, keep records of the daily achievements and activities of the members of the collective.

As a consequence of all these measures, the brigades have assumed great importance in the organization of labor; socialist competitions have been successful and profitable, and the members have become truly appreciative of the importance of the working day.

The provisions of the 1951 sowing plan of the Inainte Collective Farm were as follows:

Fall cereals Spring cereals Vegetables	600 110 668	hectares					the	total	planted	area
Fodder plants			or	35.03	11	**	**	11		11
Hemp	167	"		8.47	"	**	**	11	 H	"
Beans	300	••	or	16.40	11	TE	11	n	11	4-
DERIIS	5	**	or	0.27	11	11	11	17	"	"

In addition, an area of 20 hectares was reserved for the cultivation of vegetables by irrigation. In accordance with the sowing plan, a total of 1,870 hectares were planted during 1950 - 1951.

The graph of the various agricultural labors performed at the Berveni Collective Farm during 1950 - 1951 reveals two different peaks: a lower one during the second half of May (the plowing period), and another one extending through August, September, and even the first part of October (the period of the reaping of hemp and gathering of vegetables).

To reach these peaks the participation of all members of the collective farm is required.

In general, in view of the present degree of mechanization of labor, the following number of man-days are required per year:

Plant cultivation	Man-Days
Horticulture Viticulture and fruit tree growing Work in workshops and manure spreading Animal husbandry Unexpected labors Total	59,130 2,700 1,610 25,000 29,723 10,100
700gT	128,263

Although the managing council of the Inainte Collective Farm was truly concerned with the organization of labor and brigades, it did not pay sufficient attention to the proper utilization of the working capacity of the members of the collective. An alalysis of the working capacity of the members of the collective reveals that 940 members between 18 and 60 years of age are members of brigades and are capable of working every day. This computation takes into account the man-days required for work on the individual holdings of the members, which were subtracted from the total number of man-days. Likewise, the number of members working in offices, shope, etc., has been subtracted from the total number of members of the collective farm.

- 2 -

### RESTRICTED



1

#### RESTRICTED

According to the plan for the utilization of man-days, therefore, the Inainte Collective Farm needs 128,000 man-days for carrying out agricultural and related work. Considering the fact that the potential number of man-days is over 200,000 one must conclude that almost half of the working capacity of the members, or about 100,000 man-days, are not utilized. This number of man-days represents the working capacity of about 400 men.

It follows, therefore, that the members of the collective farm who do not have enough work to do in the collective will have to seek employment outside the farm as day workers. This, however, is contrary to the provisions of the model statute, according to which each collective farm must organize its activities in such a manner as to assure a full-time job for every member. The Incultivated area, can correct its present shortcomings in man-power utilization. So far, however, the management has not paid sufficient attention to this aspect of labor organization.

If one now analyzes the monthly labor requirements and the utilization of the available manpower, it is discovered that during such months as December, January, and February 90-91 percent of the members' working capacity is not utilized, while during rush months like September, the labor requirements of the collective farm exceed the working capacity of its members 6 percent. During other months, (summer months included) the imutilized working capacity ranges from 77 percent (in March) to 14 percent (in August).

An analysis of the various agricultural jobs reveals that only in cattle tending is there a uniform utilization of the available manpower throughout the year. Serious seasonal fluctuations are observed in plant cultivation, partly due to the fact that, since no rational crop rotation is being practiced, most labor is performed during mid-summer and early fall.

The consequences of this improper utilization of the members' working capacity were fairly serious in the case of the Inainte Collective Farm, since several members were remiss in the execution of their agricultural jobs.

During periods requiring intensive agricultural labors, the Inainte Collective Farm was affected by a labor shortage, since a few of its members, unable to do enough work on their collective farm, were working as day laborers elsewhere.

As a consequence of this state of affairs, several agricultural jobs, for instance, weeding, were not completed and thus, as a further consequence, the 1951 harvest was below expectations. For example: in 1950, the wheat harvest was 2,300 kilograms per hectare and in 1951, only 2,320 kilograms per hectare, despite the fact that it could have been much higher in view of the potential of the collective farm.

The visit of a Soviet delegation of kolkhoz members in the summer of 1951 gave Rumanians the opportunity of analyzing the work of the Inainte Collective Farm. It was shown that the failure to utilize fully the working capacity of the members in the collective farm resulted in inefficient execution of agricultural jobs, a decline in the rate of socialist accumulations and expansion of the assets of the collective, and failure to meet the requirements of the budget in the field of economic exploitation of income.

Soviet visitors have shown that the Inainte Collective Farm is in a position to improve this state of affairs. To do this, it must expand its activities. It must establish a few related agricultural enterprises where members can work during the winter months, it must grow more industrial and medicinal

- 3 -

RESTRICTED



Γ

### RESTRICTED

plants, and it must cultivate even more vegetables than it does now, especially since the collective is close to several industrial centers which need substantial supplies of vegetables.

In view of this analysis, the general assembly of the collective decided to expand the cultivation of vegetables and to establish several related agricultural enterprises to utilize fully the working capacity of all its members. It gades to six, including a youth brigades and reduce the number of field brition, which will become a powerful factor in the mobilization of every member for work in the collective.

In contrast with the Inainte Collective Farm, which has not yet solved the problem of the utilization of manpower, the Viata Noua has found an adequate solution to this problem.

The problem of labor organization and of the proper utilization of the available manpower has been one of the principal concerns of the managing council of the Viata Noua Collective Farm.

This collective farm, established 26 February 1950 as an expansion of an association for the common working of the land with tractors, was originally composed of 35 families which first got together in the fall of 1949. The lands brought in by the members amounted to 170.56 hectares (arable land, 169.74 hectares; vineyards, 0.61 hectares; and gardens, 0.21 hectares).

To assure the proper organization of labor, the members were organized in one brigade and four teams. The general assembly elected a commission of super-of the strict observance of the model statute and the fulfillment of the production plans drawn up by the managing council.

The plan for the utilization of man-days reveals that 9,350 man-days per year will be used by the various production branches of the collective farm by the end of 1951. It should be observed that the largest number of man-days (6,000 per year) was to be spent in the cultivation of cereal and forage crops (including the cutting of hay), while only 400 man-days per year are spent in the cultivation of vegetables. No man-days were to be spent in related agricultural enterprises, viticulture, and fruit tree growing.

An analysis of the labor potential reveals that during 1950, altogether 56 possible, therefore, to utilize 14,000 man-days per year, or 4,650 more than

As in the case of the Inainte Collective Farm, the greatest demand for labor occurred in May and August. An analysis of the fluctuations in the utilization of manpower and agricultural equipment reveals, however, that with the exception of the winter months, all members of Viata Noua were working in the collective farm. It further reveals that during the summer months, the labor requirements of the collective exceeded the working capacity of its members.

The second year of the existence of the Viata Nous Collective Farm (1951) is characterized by a sustained struggle for economic and administrative consolidation.

Since the number of member families increased to 140, a reorganization of the labor force was attempted. Three brigades (two for the cultivation of vegetables, cereals, and grasses, and one for animal husbandry, construction, and shops) were set up, each containing six 12-member squads.

- 4 -

### RESTRICTED



The cultivation plan of the collective farm also provided for cultivation of industrial plants, which requires a large number of working hands. The manpower requirements of the collective were thus increased.

The members of the Viata Noua Collective Farm, performing all agricultural labors in accordance with modern agricultural engineering methods, won the socialist competition for collective farms organized during the spring, nummer, and fall agricultural campaigns of 1951 and were awarded the regional Red Flag.

A comparison of workdays in 1951 with 1950 shows that the number of workdays was almost four times as large in 1951 as during the previous year. The workday pay was 8 percent higher in 1951 than in 1950.

The number of man-days during March, May, July, August, and September 1951 was also much higher than during the same months in 1950:

Year	March	May	July	August	Canal 1
1950 1951	664.80 3,071.79	1,138.17 3,935.09	1,028.48 5,349.29	976.10 3,245.79	September 1,207.23 3,578.85

A comparison of the two collective farms, the Inainte and Viata Noua, reveals that when the managing council has tried and has been assisted in finding the best way in which to organize labor, it has most effectively utilized the working capacity of the members of the collective farm and has strictly adhered to the provisions of the model statute; the farm has progressed and the remuneration of its members per workday has increased

An analysis of the essential conditions for the development of collective farms reveals that all collectives are in a position to utilize fully and ramembers' working capacity of their members. The proper utilization of the members' working capacity will assure the growth of our collective farms.

No collective farm is conceivable without the growth and accumulation of social funds. The model statute, incorporating this basic principle of socialist economic development, shows that a collective farm uses its animal and vege-(collection quotas); to return borrowed seed; to pay its obligations to the state to MTS; to store seeds and fodder necessary for feeding its cattle all year; to build up reserves of seeds and fodder for emergency situations (draught, lack of fodder); to set up, in accordance with the decision of the general assembly, relief funds for invalids, the aged, temporarily incapacitated people, needy ramilies, and orphans (the relief funds are not to exceed 2 percent of the gross value of the production of the collective farm); and finally, to distribute the rest of the products among its members in proportion to the workdays of each.

The collective farm uses its cash income as follows: to pay the taxes owed to the state, as well as insurance premiums and contracted debts; to cover production costs, such as the repairing of agricultural equipment; to give veterinary care to animals; to provide insect control; to cover administrative farming expenses at a rate not exceeding 2-5 percent of the total cash income; to allocate cultural funds for the training of personnel; and to set up nurseries, kindergartens, radio installations, and the like. Use is made of 10-15 percent of the cash income for increasing the funds reserved for purchasing agricultural equipment, cattle, and construction materials. The rest of the cash income is divided among its members proportionally to the workdays of each.

- 5 -

RESTRICTED



The basic statute thus shows that the main source of income of a collective farm is the economic exploitation of its production and emphasizes that is the duty of the managing council and the general assembly to seek the expansion of the social runds of the collective farm before dividing the income among the members of the collective. Only a collective farm whose social funds are increasing continuously can assure improved living standards to its

The Viata Noua and Inainte Collective Farms had rich harvests, both in 1950 and 1951. Their members received 200-400 percent more cereal grains than they used to obtain when farming their own lands individually

Viata Noua distributed the largest quantity of products among its members in 1950. Member Pavel Dondea, working 262 workdays, from 26 February 1950, the date of the establishment of the collective, to 31 December 1951, received the following products: 3,747 kilograms of wheat, 131 kilograms of barley, 1,919 kilograms of sunflower seed, and over 5,000 kilograms of straw and chaff. This shows that even in cases where only one member of a family was engaged in agricultural pursuits, the needs of the entire family were assured for a whole year.

It must be emphasized that the general assembly and the managing council of the collective farm made an error, when instead of building up the social funds of the collective farm, they decided to distribute all products among the members of the collective. In 1950, for instance, only 250 kilograms of wheat were commercially exploited by the Viata Noua Collective Farm, while 174,750 also in 1951, when all of the 422,065 kilograms of wheat harvested by the farm not concerned with the problem of interveaving the personal interests of the members with those of the collective. This state of affairs not only fails to check the independent and individual farming habits of the members but actually strengthens their desire for farming their own private properties.

The fact that the entire harvest was divided among the collective's members without reserving any part of it for commercial exploitation by the collective prevented the increase of the assets and had two serious consequences.

In the first place, the collective farm was deprived of its main source of cash income. An analysis of the financial situation of Viata Noua and of the manner in which it observed the provisions of the model statute during 1950 reveals that Viata Noua did not fulfill its budgetary requirements. In the budget cash income of the collective farm totaled 565,780 lei, even though the budget called for 1,032,100 lei. For example, only 48 percent of the budgetary requirements for plant cultivation were fulfilled. However, this was for outside income, that is, income from hauling and the performance of varplanned income.

An analysis of the fincucial statement of the Viata Nous Collective Farm for 1950 reveals a total increase of 2,687,093 lei since its establishment in February 1950. Its assets increased by 727,546 lei. It should be observed, from the commercial exploitation of the products of the collective but rather to the goods brought in by its members and to the enrollment taxes paid by them. added to the assets, was only 12,737 lei.

- 6 -

RESTRICTED



Although the analysis for the year 1951 reveals that the average yield of cereals per hectare has increased substantially, there are nevertheless still almost no cereals for sale by the collective. It has been satisfied with exploiting commercially only its industrial crops for which the members had no use and which could not very well be sold on the free market.

The financial analysis of the collective reveals that the income-expenditure ratio was more favorable in 1951 than in 1950.

The collective's income, although not quite as high as anticipated, has been increasing continuously. The enticipated income was to be four times as large as in 1950.

Although the social welfare funds have been increasing continuously, cash resources alone totaling over 150,000 lei, the cash increases are not derived from the commercial exploitation of cereals, which constitute the chief source ploitation of industrial plants. By selling cereals on the free market, the members of Viata Noua have given kulaks and speculators the opportunity of acquiring agricultural products essential for our working classes, thus harming the interests of those who work.

The members of the Viata Noua Collective Farm know that the machinery and tools made by our industrial workers have helped them reap increasingly richer harvests. The tractors of the local MTS have performed all of the heavy agricultural labors of the collective. Nevertheless, the members of Viata Noua have not met their obligations toward urban workers.

Despite the higher income in 1951, the investment plan of the collective farm was not fulfilled. Only one third of the 3,283,000-lei plan was realized.

Although the Inainte Collective Farm in Berveni has had poorer harvests than Viata Noua, it was more concerned with the increase of its social funds than the latter. The value of the cereals and vegetables commercially exploited by the collective amounted to nearly 4 million lei in 1950 and to over 7.8 million lei in 1951. More than 20 tons of wheat were delivered during 1951.

As a consequence, all members of the collective received substantial amounts of cash for their workdays spent on cereal, cultivation, and the amount of cash added to the assets of lnainte was 16 times as large as at Viata Noua.

The Aron Gabor Collective Farm in Anghelus, Stalin Region, has been most successful in this respect, however. By concluding contractual engagements for the sale of its pharmaceutical and industrial plants with Plafarul and Cooperatia, the collective farm received a substantial income. The members of the collective were entitled to receive approximately 5 kilograms of wheat and 200 lei per workday. The general assembly of the collective farm, analyzing the possibilities for further development of the collective, decided that only one half of the cash be distributed among the members and the other half be added to the assets of the collective farm. The cash essets of the collective have trebled during 1951. Part of the cash will be spent for purchasing machinery and special equipment for the cultivation of industrial and pharmaceutical plants, which will greatly aid the collective in increasing its income in the future. It should be observed that, as a result of the expansion of possibilities for cultivating new plants, the Aron Gabor Collective Farm was able to conclude a contractual engagement for the sale of 15 hectares' har yest of chicory, which brought the collective over 6 million lei.

- 7 -

RESTRICTED



Γ

### RESTRICTED

The managing council and the activists of the collective farm, in an attempt to encourage thrift among the members of the collective, opened savings accounts with the CEC (Savings and Checking Institution) for all those who were to receive more than 5,000 lei in cash.

The economic analysis of two collective farms men'ioned in the decision of the Central Committee of the Rumanian Workers' Party has revealed that collectives established and operated in accordance with sound political principles and with the provisions of the model statute have made real progress. The progress of these collectives has been the best proof for the neighboring noncollectivized peasants of the superiority of collectivized agriculture.

The conclusions derived from the economic analysis of the aforementioned collective farms reveal that the development of collectives is contingent on the strict observance by state organs and members of the collective farm of the provisions of the model statute.

The recent visit of delegation of Soviet kolkhoz, sovkhoz, and MTS workers, technicians, and agricultural experts has given us the opportunity of acquiring some of their knowledge in the field of agriculture.

The Soviet delegation also visited the Viata Nova and Inainte collective farms. They indicated that these collective farms are progressing. They have shown, however; that the progress could be more rapid were it not for occasional violations of the statute's provisions which prevent the proper and full utilization of local resources and of the potentialities of the collective farms.

In their conversations with members of our collective farms, the Soviet visitors stated that it was essential for collectives to increase continuously their social funds and set aside a part of their income for this purpose. By so doing, the Soviet kolkhozes have built up huge funds, some as high as several million rubles. This allows them to make substantial investments, to erect new buildings, buy trucks, increase their stock of agricultural equipment, and expand their irrigation system. The experience of the Soviet kolkhozes teaches that during the first years of a collective farm, it is essential to use the social funds for the economic consolidation and development of the farm, that is, for buying cattle, establishing dairy farms and other auxiliary agricultural enterprises, etc., with a view to assuring the prosperity of the collective farm. The increase of the social funds gives kolkhozes the opportunity to build schools, clubs, cultural and recreational centers, and homes, and thus to improve continuously the living conditions of its members.

The members of the Soviet kolkhozes, speaking from their own experience, explained to the members of Rumanian collective farms that they should not limit their activities to the cultivation of plants, but should also engage in as many auxiliary agricultural activities as possible, especially animal husbandry and cultivation of industrial plants such as sugar beets, etc., because in this way, the income of the collective will increase substantially, and consequently, the income of its members will be raised. The cultivation of industrial plants and the development of auxiliary agricultural activities would, as our guests pointed out, be of great assistance to our national economy.

- E N D -

- 8 -

RESTRICTED

